

FY2004
CDBG/Rural Development
Jointly Funded Projects

- Rural Development applications must be in to District Office ninety days prior to CDBG application submittal.
- CDBG applications due to ADECA must include commitment letter from Rural Development.
- Should combine Rural Development Public Notice and CDBG Public Hearing if possible.
- Environmental Assessment is applicant's responsibility and is not part of CDBG budget except for CDBG advertisements. Archaeological survey, if done after CDBG Grant Agreement, is eligible cost and should be budgeted from CDBG. If done before Grant Agreement, then it is an applicant's cost. However, if it is part of the Environmental Assessment for Rural Development, these are eligible Rural Development costs.
- Due to timing considerations with respect to access to funds, it is recommended that certain items be budgeted as CDBG costs and others as Rural Development costs.

CDBG - administration, acquisition of easements to include appraisals, hook-ups to houses. (Hook-ups required for new water and sewer projects to all LMI households).

Rural Development - engineering, interest on loan, costs of closing loan (these should not be shown as local match for CDBG purposes).

- All other construction or site acquisition costs may be budgeted from either source.
- The cost of doing Davis-Bacon should be factored in for construction for budget purposes on the entire project where contracts involve CDBG dollars as a source for payment.
- Entire project area must be surveyed for household incomes in accordance with CDBG requirements.
- There should be an interagency agreement between the Unit of Government making application for CDBG funds and the Authority making application for Rural Development funds that spells out responsibilities.
- LCC responses for CDBG projects will be due Winter, 2004.
- Construction contract award date for CDBG purposes will probably be Winter, 2004.
- Construction contracts have to be advertised over a four-week period and may not be started until all permits are in place.
- Plans and specifications have to be approved by both ADEM and Rural Development prior to advertisement of bids.
- Preconstruction conferences must be coordinated with both CDBG and Rural Development staff.